

**ARIZONA CORPORATION COMMISSION**  
**UTILITIES DIVISION**

**ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY**

L

W-01536A  
Lazy C Water Service  
P.O. Box 1  
Tucson AZ 85702

**RECEIVED**

JUL 18 2005

Arizona Corporation Commission  
Director Of Utilities

**ANNUAL REPORT**

**FOR YEAR ENDING**

<b>12</b>	<b>31</b>	<b>2004</b>
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FOR COMMISSION USE

<b>ANN04</b>	<b>04</b>
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## COMPANY INFORMATION

Company Name (Business Name) Box 1 Inc dba Lazy C Water Service

Mailing Address PO Box 1  
(Street)

Tucson  
(City)

AZ  
(State)

85702  
(Zip)

520 743-0758  
Telephone No. (Include Area Code)

520-743-4557  
Fax No. (Include Area Code)

520-291-1264  
Pager/Cell No. (Include Area Code)

Email Address bobbox1@prodigy.net

Local Office Mailing Address Same  
(Street)

(City)

(State)

(Zip)

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

## MANAGEMENT INFORMATION

Management Contact: Robert J Canfield  
(Name)

President  
(Title)

4802 W Kay T Dr  
(Street)

Tucson  
(City)

AZ  
(State)

85745  
(Zip)

520-743-0758  
Telephone No. (Include Area Code)

520-743-4557  
Fax No. (Include Area Code)

520-291-1264  
Pager/Cell No. (Include Area Code)

Email Address bobbox1@prodigy.net

On Site Manager: Robert J Canfield  
(Name)

(Street)

(City)

(State)

(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address \_\_\_\_\_

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Box 1 Inc dba lazy C water Service  
 (Name)

PO Box 1 Tucson AZ 85702  
 (Street) (City) (State) (Zip)

520 743-0758 520 743-4857 520-291-1269  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Patrick Farrell  
 (Name)

1 South Church Ave Tucson AZ 85701  
 (Street) (City) (State) (Zip)

520 882-4994  
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

### OWNERSHIP INFORMATION

Check the following box that applies to your company:

- |   |  |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S)    | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P)        | <input type="checkbox"/> Subchapter S Corporation (Z)                                |
| <input type="checkbox"/> Bankruptcy (B)         | <input type="checkbox"/> Association/Co-op (A)                                       |
| <input type="checkbox"/> Receivership (R)       | <input type="checkbox"/> Limited Liability Company                                   |
| <input type="checkbox"/> Other (Describe) _____ |  |

### COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- |                                     |  |                                   |
|-------------------------------------|--|-----------------------------------|
| <input type="checkbox"/> APACHE     | <input type="checkbox"/> COCHISE         | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA       | <input type="checkbox"/> GRAHAM          | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ     | <input type="checkbox"/> MARICOPA        | <input type="checkbox"/> MOHAVE   |
| <input type="checkbox"/> NAVAJO     | <input checked="" type="checkbox"/> PIMA | <input type="checkbox"/> PINAL    |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI         | <input type="checkbox"/> YUMA     |
| <input type="checkbox"/> STATEWIDE  |  |                                   |

COMPANY NAME

hazy C Water Service

**UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	25631	11271	14360
311	Pumping Equipment	38161	22521	15640
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	13569	13569	
331	Transmission and Distribution Mains	169332	26604	142728
333	Services	3158	3158	
334	Meters and Meter Installations	12399	12399	
335	Hydrants	589	589	
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	11847	11847	
340	Office Furniture and Equipment	1565	1565	
341	Transportation Equipment	38000	12685	25315
343	Tools, Shop and Garage Equipment	1671	1671	
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>315922</b>	<b>117879</b>	<b>198043</b>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

LARRY C WATER SERVICE

**CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	25631		
311	Pumping Equipment	38161	2.38	910
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	13569		
331	Transmission and Distribution Mains	169332	.61	1047
333	Services	3158		
334	Meters and Meter Installations	12399		3000
335	Hydrants	589		
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	11847		
340	Office Furniture and Equipment	1565		
341	Transportation Equipment	38000	4.61	1775
343	Tools, Shop and Garage Equipment	1671		
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	<b>TOTALS</b>	<b>315922</b>		<b>6732</b>

This amount goes on the Comparative Statement of Income and Expense  
Acct. No. 403.

COMPANY NAME LAZY C WATER SERVICE

**BALANCE SHEET**

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>ASSETS</b>		
	<b>CURRENT AND ACCRUED ASSETS</b>		
131	Cash	\$ 9168.00	\$ 22,357.00
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	335.00	
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	<b>TOTAL CURRENT AND ACCRUED ASSETS</b>	\$ 9503.00	\$ 22387.00
	<b>FIXED ASSETS</b>		
101	Utility Plant in Service	\$ 326,559.00	\$ 315,922.00
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	178,008.00	117,879.00
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	<b>TOTAL FIXED ASSETS</b>	\$ 148,551.00	\$ 198,043.00
	<b>TOTAL ASSETS</b>	\$ 158,084.00	\$ 220,400.00

**NOTE:** The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME LAZY C WATER SERVICE

**BALANCE SHEET (CONTINUED)**

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	<b>LIABILITIES</b>		
	<b>CURRENT LIABILITIES</b>		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)	137,817.00	150.00
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		193,825.00
	<b>TOTAL CURRENT LIABILITIES</b>	\$ 137,817.00	\$ 193,975.00
	<b>LONG-TERM DEBT (Over 12 Months)</b>		
224	Long-Term Notes and Bonds	\$ 7,702.00	\$
	<b>DEFERRED CREDITS</b>		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	<b>TOTAL DEFERRED CREDITS</b>	\$	\$
	<b>TOTAL LIABILITIES</b>	\$ 145,519.00	\$ 193,975.00
	<b>CAPITAL ACCOUNTS</b>		
201	Common Stock Issued	\$	\$ 10,000.00
211	Paid in Capital in Excess of Par Value		5767.00
215	Retained Earnings		10658.00
218	Proprietary Capital (Sole Props and Partnerships)		
	<b>TOTAL CAPITAL</b>	\$ 12,535.00	\$ 26,425.00
	<b>TOTAL LIABILITIES AND CAPITAL</b>	\$ 158,054.00	\$ 220,400.00

COMPANY NAME LAZY C WATER SERVICE

**COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 93,511	\$ 102,232
460	Unmetered Water Revenue		
474	Other Water Revenues		
	<b>TOTAL REVENUES</b>	\$ 93,511	\$ 102,232
	<b>OPERATING EXPENSES</b>		
601	Salaries and Wages	\$	\$
610	Purchased Water	3,336	2,811
615	Purchased Power	11,053	11,398
618	Chemicals		
620	Repairs and Maintenance	25,121	23,898
621	Office Supplies and Expense	4,497	4,833
630	Outside Services	19,002	12,229
635	Water Testing	820	797
641	Rents	1,200	
650	Transportation Expenses		
657	Insurance – General Liability	2,010	6,451
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	3,025	1,424
403	Depreciation Expense	15,587	6,732
408	Taxes Other Than Income		4993
408.11	Property Taxes	19,500	17,976
409	Income Tax	50	50
	<b>TOTAL OPERATING EXPENSES</b>	\$ 105,201	\$ 93,592
	<b>OPERATING INCOME/(LOSS)</b>	\$ (11,690)	\$ 8,640
	<b>OTHER INCOME/(EXPENSE)</b>		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	<b>TOTAL OTHER INCOME/(EXPENSE)</b>	\$	\$
	<b>NET INCOME/(LOSS)</b>	\$ (11,690)	\$ 8,640



COMPANY NAME LAZY C. WATER SERVICE

**SUPPLEMENTAL FINANCIAL DATA**

**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ \_\_\_\_\_

Meter Deposits Refunded During the Test Year \$ \_\_\_\_\_

COMPANY NAME LAZY C WATER SERVICE

**WATER COMPANY PLANT DESCRIPTION**

**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-801499	15	60	563	8-5/8	1-1/2	1993
55-801500	15	48	650	8	1-1/2	1996

\* Arizona Department of Water Resources Identification Number

**OTHER WATER SOURCES**

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
CITY OF TUCSON	90	998,580

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
25	1	1	
20	1		
10	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000	1	3,000	2
25,000	1	2,000	1
10,000	1		

COMPANY NAME LAZY C WATER SERVICE

**WATER COMPANY PLANT DESCRIPTION (CONTINUED)**

**MAINS**

Size (in inches)	Material	Length (in feet)
2		8,969
3		1,600
4		21,765
5		
6		16,684
8		
10		
12		

**CUSTOMER METERS**

Size (in inches)	Quantity
5/8 X 3/4	107
3/4	<del>21</del>
1	21
1 1/2	1
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

**TREATMENT EQUIPMENT:**

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**STRUCTURES:**

256' chain link fence 6' high

68' grape stake 5' high

300' colored concrete block wall 5' high

6' chain link gate (2)

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**OTHER:**

one standard fire hydrant

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COMPANY NAME: LAZY C WATER SERVICE

**WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2004**

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	127	1,003,410	1,078,800
FEBRUARY	129	1,059,290	1,115,500
MARCH	129	1,202,420	1,269,000
APRIL	129	1,398,140	1,358,900
MAY	129	1,725,340	1,762,700
JUNE	129	2,541,980	2,433,700
JULY	129	2,003,360	1,932,100
AUGUST	129	2,053,510	1,864,800
SEPTEMBER	129	1,638,250	1,687,400
OCTOBER	129	3,041,840	1,393,400
NOVEMBER	129	1,174,710	1,110,500
DECEMBER	130	1,042,650	1,002,300
TOTAL			18,009,100

Is the Water Utility located in an ADWR Active Management Area (AMA)?

☒ Yes

☐ No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

☐ Yes

☒ No

If yes, provide the GPCPD amount: \_\_\_\_\_

What is the level of arsenic for each well on your system. POE#1 .0088  
POE#2 .0082mg/l  
(If more than one well, please list each separately.)

*Note: If you are filing for more than one system, please provide separate data sheets for each system.*

COMPANY NAME LAZY C WATER SERVICE YEAR ENDING 12/31/2004

**PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2004 was: \$ 17,976.

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

COMPANY NAME Wazy C Water Service

YEAR ENDING 12/31/2004

**INCOME TAXES**

For this reporting period, provide the following:

Federal Taxable Income Reported  
Estimated or Actual Federal Tax Liability86401294State Taxable Income Reported  
Estimated or Actual State Tax Liability9195641

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances  
Amount of Gross-Up Tax Collected  
Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

**CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

  
SIGNATURE7-15-05  
DATEROBERT J CANFIELD  
PRINTED NAMEPRESIDENT  
TITLE

RECEIVED

VERIFICATION  
AND  
SWORN STATEMENT  
Intrastate Revenues Only

JUL 18 2005

Arizona Corporation Commission  
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
<u>PIMA</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>ROBERT J CANFIELD</u>
COMPANY NAME
<u>BOX 1 INC dba LAZY C WATER</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2004 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 102,232

(THE AMOUNT IN BOX ABOVE  
INCLUDES \$ 5,455  
IN SALES TAXES BILLED, OR COLLECTED)

**\*\*REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15<sup>th</sup> DAY OF

July 2005  
(SEAL)

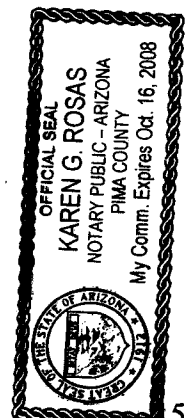
MY COMMISSION EXPIRES 10-16-08

Robert J Canfield  
SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

COUNTY NAME	<u>Pima</u>
MONTH	<u>July</u>
	<u>.2005</u>

Karen G Rosas  
SIGNATURE OF NOTARY PUBLIC



RECEIVED

VERIFICATION  
AND  
SWORN STATEMENT  
RESIDENTIAL REVENUE  
INTRASTATE REVENUES ONLY

JUL 18 2005

Arizona Corporation Commission  
Director Of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>PIMA</u>	
NAME (OWNER OR OFFICIAL) <u>ROBERT J CANFIELD</u>	TITLE <u>PRESIDENT</u>
COMPANY NAME <u>BOX 1 INC dba LAZY C WATER SERVICE</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2004

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2004 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 102,232

(THE AMOUNT IN BOX AT LEFT  
INCLUDES \$ 5,455  
IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE  
MUST INCLUDE SALES TAXES BILLED.

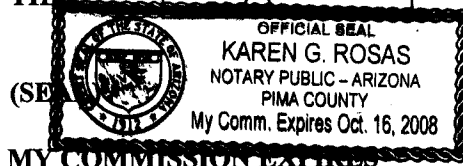
Robert J Canfield  
SIGNATURE OF OWNER OR OFFICIAL

(520) 743 0758  
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 10<sup>th</sup> DAY OF



NOTARY PUBLIC NAME <u>Karen G. Rosas</u>	
COUNTY NAME <u>Pima</u>	
MONTH <u>July</u>	20 <u>05</u>

X Karen D Rosas  
SIGNATURE OF NOTARY PUBLIC

10-16-08



## **FINANCIAL INFORMATION**

Attach to this annual report a copy of the companies' year-end (Calendar Year 2004) financial statements. If you do not compile these reports, the Utilities Division will supply you with blank financial statements for completion and filing. **ALL INFORMATION MUST BE ARIZONA-SPECIFIC AND REFLECT OPERATING RESULTS IN ARIZONA.**